notice issued by the Collector, Central Excise, Meerut for Rs. 80.30 crores;

(b) whether it is also a fact that no recovery is being made by Government despite the fact that there is no directive from the Allahabad High Court to this effect;

(c) whether it is also a fact that Government are restraining recovery of the amount on the advise of Government Counsel; and

(d) if so, whether the same principle is applied by Government in all matters of recovery, including that from the farmers?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir.

(b) Yes, Sir.

(c) Yes, Sir.

(d) Decisions are taken on merits of each case. The opinion of the Government counsel is also taken into account while deciding the issues.

Recovery against M|s. ITC by Collector of Central Excise, Patna

2026. SHRI VIRENDRA VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Central Board of Excise and Customs, New Delhi, vide its letter dated 30th May, 1989 has asked the Collector of Central Excise, Patna to take effective steps for the recovery against the confirmed demands from M/s ITC Ltd, Monghyr;

(b) if so, whether the Collector of Central Excise, Patna has effected recovery against the confirmed demand from M/s ITC Ltd., Monghyr; and

(c) if not, what is the present position?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir.

(b) and (c) M/s ITC Ltd., had paid the amount of about Rs. 1.13 crores initially demanded from them. However they have disputed the legality of the revised demand on the same count and accordingly the Collector of Central Excise, Patna has since been asked to issue a show cause notice to the Company.

High interest rate on agricultural loans

2027. SHRI KAHNU CHARAN LENKA : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the farmers are being charged a higher rate of interest for agricultural loan by the banks as compared to the other categories;

(b) if so, what are the details thereof;

(c) whether Government have any proposal to cut down the interest rate on agricultural loan due to heavy losses of crops following severe floods and droughts; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Reserve Bank of India (RBI) has reported that the interest rates stipulated for agricultural advances are much lower than those stipulated for other categories of borrowers.

(c) and (d) At present there is no proposal under consideration of the Government for reducing rates of interest on agricultural loans. However, it may be stated that with a view to give relief to farmers, the interest rates charged for agriculture production credit were reduced in March, 1988 for loans upto Rs. 15,000/- and the range of reduction in the interest rates on this account was